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Progress in the implementation of specific action related to the particular needs and problems of land-locked developing countries

Report by the UNCTAD secretariat

Addendum

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Abbreviations

ASYCUDA	Automated System for Customs Data
CEPGL	Communauté économique des pays des Grands Lacs
FALPRO	trade facilitation programme
GIENS	Global Information and Early Warning System on Food and Agriculture
IPF	indicative planning figure
JUNAC	Junta del Acuerdo de Cartagena
MINCONMAR	Ministerial Conference on Maritime Affairs of West and Central African States
ODA	official development assistance
SATCC	Southern African Transport and Communication Commission
TFAP	Tropical Forestry Action Plans (FAO)

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SPECIFIC ACTIONS BY THE INTERNATIONAL COMMUNITY
IN FAVOUR OF LAND-LOCKED DEVELOPING COUNTRIES

I. Summaries of the replies received from individual countries

1. Australia: Australia gives development cooperation assistance to 11 land-locked countries which has contributed to the alleviation of their special development problems. Examples of Australian funding to land-locked countries in Asia include designing and constructing a bridge over the Mekong River between Laos and Thailand providing an important land transport link for Laos. In Africa, Australia has been contributing 110 million Australian dollars to aid projects in southern Africa over a three-year period, commencing in financial year 1990/1991. Two thirds of the recipients of these funds are land-locked countries: Botswana, Lesotho, Malawi, Swaziland, Zambia and Zimbabwe. The transport and communications sector has been earmarked as a priority development area by these countries and so was chosen as a focal target of the Australian programme. In 1990 Australia agreed to provide up to 1 million Australian dollars per year, for three years, to the South African Transport and Communications Commission (SATCC) of SADCC. Following the "Obasanjo" report of the Commonwealth Foreign Ministers Committee on Southern Africa, Australia responded, inter alia, with the Commodities Assistance Programme to provide equipment for a port at Dar es Salaam (Tanzania) located at the end of one of the region's important transport corridors. Australia also assists in the alleviation of the special problems of land-locked countries through its contributions to the United Nations system.

2. Austria: Austria is actively participating in the preservation of railway lines in East Africa. Currently, Austria has been preparing the rehabilitation and welding of approximately 650 kilometres of the TAZARA rail connection between Tanzania and Zambia. The duration of this project will be seven years. In 1986/87 Austria, supported this project by financing and supplying railroad construction machines. Austria has further supplied one railroading machine each for the Limpopo corridor between Maputo (Mozambique) and Zimbabwe and for the Beira corridor between Beira (Mozambique) and Zimbabwe. In the period 1989 and 1990, the Austrian Federal Ministry of Finance organized two training courses for customs officials from developing countries. Ten customs officials from the land-locked developing countries have participated in these seminars. Austria also actively supports multilateral activities with a view to assisting land-locked developing countries.

3. Canada: Canada recognizes the special development needs of land-locked developing countries within the context of their status as least developed countries. Assistance to the least developed countries remains a priority in Canadian official development assistance policy, receiving the highest proportion of financing. All ODA to the least developed countries is in the form of grants or offers highly concessional terms. In 1989-1990, total Canadian ODA to these countries was 336.24 million Canadian dollars. Transportation and communications are areas of technical assistance which are especially important to land-locked developing countries, and Canada has long made these areas a priority. Projects undertaken or completed in 1989/1990 include airport improvements in Nepal, supply of telecommunications equipment to the Andes, assistance to the West African telecommunications network, and repairs to the Zimbabwe-Botswana rail line.

4. Japan: Japan ODA disbursements in the form of grants for the period 1985 to 1989 to all the land-locked developing countries totalled $US 1,943 million of which grant aid accounted for some 70 per cent, the residual constituting disbursements for technical cooperation activities. The bulk of Japan's assistance was received by six countries namely: Bolivia ($US 233 million), Lao People's Democratic Republic ($US 124 million), Nepal ($US 438 million), Niger ($US 136 million), Paraguay ($US 226 million) and Zambia ($US 256 million).

5. Senegal: Since independence, Senegal and Mali have signed several accords and conventions on cooperation in the area of transit transport. In this connection, Mali has been allocated space in the port of Dakar for the movement of transit goods. This space is linked with the railway line Dakar-Bamako. As to the maritime traffic, it should be noted that a project to improve the operations within the Senegal River Basin is being finalized. This will facilitate transport services in Mauritania, Mali and Senegal.

6. Thailand: In 1989 Thailand provided technical assistance in the form of fellowships to the Lao People's Democratic Republic and Bhutan. In 1990, similar assistance was accorded to Laos, Nepal and Zimbabwe. The Lao People's Democratic Republic will receive further such assistance in 1991.

7. Turkey: Turkey's project assistance has been extended to Chad, Mali and Niger within the context of the Sahel Technical Assistance Programme. This programme includes feasibility studies of a small-scale cement factory in Chad. An on-the-job Training Centre in Mali and a Vocational and Technical Training Centre in Niger are being established. Furthermore, group on-the-job training programmes are being conducted in Turkey for candidates from Chad, Niger and Zambia. Difficulties and obstacles encountered by the Turkish authorities in assisting developing countries include delays in identifying projects, lack of follow-up work and renovation after the completion of the projects and limited capability in appointing competent personnel to manage the projects.

8. Ukrainian Soviet Socialist Republic: The Ukrainian SSR supports the rights of land-locked countries to have access to the sea, the free transit of goods and passage through territories of other countries in accordance with the standards of international law and has ratified relevant international conventions on transit trade and transport. Furthermore, the Ukrainian SSR took an active part in the preparation and adoption of a number of important documents such as the Paris Declaration and Programme of Action for the Least Developed Countries for the 1990s which, inter alia, address the specific needs and problems of land-locked developing countries.

II. Summaries of replies received from international organizations

A. United Nations bodies and programmes

9. Department of International Economic and Social Affairs (DIESA): The Statistical Office of the Department maintains a statistical database of international trade by commodity and by partner country for all countries which provide such data to the United Nations Statistical Office. Data is available for some land-locked countries and transit countries. In the area

of transport, a few years ago DIESA devoted its Transport Newsletter to the substantive transit and transport-related issues of the land-locked countries as they affect the movement of goods and merchandise between these countries and their overseas trading partners. In the area of population, DIESA undertakes research and analysis addressing the situation of the land-locked developing countries.

10. Economic Commission for Africa (ECA): The African land-locked countries have benefited from a number of studies carried out by ECA. In 1986 a prefeasibility study entitled "Navigability of the Kagera River" was carried out to show the extent to which countries in the Kagera River Basin would benefit if goods were transported by train from Mombasa and Dar es Salaam, respectively, to Lake Victoria, then carried further by ferry-boat on the lake and on the Kagera River. Furthermore, ECA carried out a prefeasibility study on containerization in the CEPGL countries. A preliminary study on the development of an integrated network of road transport for all CEPGL member countries has also been carried out. In addition, ECA has organized a number of seminars and workshops focusing on human resource development and strengthening of the institutional capacities related to transport.

11. Economic Commission for Latin America and the Caribbean (ECLAC): ECLAC is carrying out programmes of technical assistance and research in favour of less developed countries of Latin America. In this context, Paraguay and Bolivia, the only two land-locked countries in the ECLAC region, are being given special attention. In particular, ECLAC in cooperation with la Junta del Acuerdo de Cartagena (JUNAC) has been instrumental in preparing a system for international transit traffic of goods between Bolivia and Peru. The system provides a significant improvement for the transit of goods and customs arrangements between the two countries. The system will be effective starting June 1991.

12. Economic Commission for Asia and the Pacific (ESCAP): ESCAP is presently implementing a project specifically addressing the needs and problems of least developed land-locked countries in the ESCAP region. The project is aimed at assessing the support services and policies for export trade in the four least developed land-locked countries and identifying measures which can be implemented within these countries to promote their export trade.

13. United Nations Conference on Trade and Development (UNCTAD): UNCTAD has continued to act as lead agency in mobilizing international support in favour of land-locked developing countries. On the basis of the information collected in the framework of ongoing technical assistance activities, UNCTAD has been elaborating policy proposals for a more effective approach to resolving the particular problems facing land-locked developing countries at both the national and subregional level. Some of these proposals are briefly highlighted in sections I and II of the present report. These proposals are designed to heighten the awareness of the fundamental disadvantages that characterize the land-locked countries and thus to bolster the political will of the donor community to provide greater support to these countries.

14. In the area of technical assistance, UNCTAD's involvement essentially seeks to respond to the priority needs of land-locked developing countries and their transit neighbours. In this connection, UNCTAD has continued to execute

the UNDP/USAID-funded project in southern Africa entitled "Transit Traffic and Support to the Transport Sector". The current phase of the project is focused on assisting - in full collaboration with SATCC - the land-locked countries and their transit neighbours in the subregion to implement recommendations already made by the project, particularly in the following areas: dry port development; trade facilitation; bilateral road transit agreements; development of alternative transit routes; development of an advance cargo information systems (ACIS) along the major transit corridors; development of indigenous, private small-scale road transit-traffic haulers; and human resources development. The future work of the project will have to address new challenges that will emerge from the political developments in southern Africa during the post-apartheid era as the traditional transit routes to the South African ports regain their previous importance. Similar technical assistance programmes have been developed by UNCTAD in consultation with UNDP for the East-Central and West-Central African subregions. Both projects are now operational. Studies so far carried out have identified priority areas for action. The key problem areas being addressed are transit documentation, transit agreements, road and rail operations, advance cargo information systems, dry port development, and human resource development.

15. In addition, UNCTAD has executed a UNDP-funded project for African land-locked countries entitled "Shipping policy for land-locked countries". The project is primarily aimed at assisting land-locked countries in creating the necessary structures to ensure protection of the interests of shippers vis-à-vis land, air and ocean carriers moving their cargoes, and, consequently, to influence positively transport costs and conditions. All the above technical assistance activities by UNCTAD are undertaken in full cooperation with subregional institutions dealing with transit transport matters particularly the Southern African Transport and Communications Commission (SATCC) in southern Africa, Ministerial Conference on Maritime Affairs of West and Central African States (MINCONMAR) in West/Central Africa and the Northern Corridor Permanent Secretariat and the Kagera River Basin Organization (KBO) in East/Central Africa. These technical assistance activities are also implemented in cooperation with the Economic Commission for Africa, particularly within the framework of the United Nations Transport and Communications Decade programme. This cooperation involves, inter alia, mutual consultations in the formulation of project documents and the participation by experts from the Economic Commission for Africa in some of UNCTAD technical assistance activities.

16. In the Asian region, where UNCTAD - with the financing of UNDP - since the mid-1970s has provided technical assistance advisory services to the land-locked countries, a number of recommendations made have been implemented by the countries themselves and the donor community. UNCTAD has just completed a comprehensive survey of future technical assistance requirements in the area of transit transport. This will be followed up by efforts to mobilize funding for supporting the implementation of proposed project activities.

17. UNCTAD has a number of other ongoing technical assistance programmes covering such areas as international trade, financial resources management, multimodal transport development, port management and maritime training. These are designed to provide services to all developing countries including

land-locked countries. Some of these are, however, of particular relevance to the special needs of land-locked countries. The trade facilitation programme (FALPRO) provides immense support to these countries on matters related to the simplification and harmonization of trade formalities and procedures largely within the framework of the transit transport project referred to above. In a related specific area, namely the Automated System for Customs Data (ASYCUDA), the programme has continued to make headway in the African region on the installation of UNCTAD's ASYCUDA system in the customs administrations of Burundi, Central African Republic, Niger, Rwanda, Zaire and Zimbabwe. Other countries showing interest in developing projects are Botswana, Lesotho, Malawi, Swaziland, and Zambia. These projects are designed to assist the customs administrations to modernize, simplify and harmonize their procedures in terms of physical clearance of goods, control of transit traffic, and accompanying documentation as well as to increase the amount of duties and taxes collected, usually the principal source of government revenue. It is likewise intended to provide up-to-date, complete foreign trade and fiscal data.

18. United Nations Development Programme (UNDP): UNDP fully incorporates into its regular programming activities the concerns of the land-locked countries. In particular, one of the additional criteria for the Indicative Planning Figure (IPF) allocation is indeed land-locked country status. Land-locked countries status also constitutes a supplementary criterion for the calculation on the fifth cycle IPFs for the land-locked countries. All projects in the land-locked countries in the areas of transportation and international trade take their particular problems into account. The vast majority of these projects are executed by UNCTAD.

19. World Food Council: In the food policy area, the Council has always accorded due attention to the special problems facing land-locked developing countries, in particular the 15 least developed among them where per capita food consumption remains among the world's lowest, as the population is gripped by chronic hunger and widespread malnutrition. An example of the Council's policy effort with a built-in component related to land-locked developing countries is the national food strategy (NFS) concept launched by the Council in the 1980s. A number of land-locked developing countries are implementing the NFS.

B. United Nations specialized agencies and related organizations

20. Food and Agriculture Organization of the United Nations (FAO): FAO is presently executing more than 400 projects with a total budget of $US 367 million in land-locked countries. The inventory and monitoring of the renewable natural resources in several of these countries are important tasks in which the FAO Remote Sensing Centre has been involved. The FAO Global Information and Early Warning System on Food and Agriculture (GIEWS) also continued to monitor crop conditions, production prospects and food supplies in some of these countries. In the field of Agricultural Sector Planning, including land reforms, macroeconomic policy formulation and strengthening of institutions, FAO is providing technical assistance to some of the land-locked countries. Furthermore, training in the agricultural sector is a continuing feature of FAO assistance. In the fisheries sector, assistance is provided with the objective of helping land-locked countries to obtain self-sufficiency

in food supply and to maintain food security. In the forestry sector, FAO has been sponsoring the promotion of community forestry development projects, the national Tropical Forestry Action Plans (TFAP), and research activities.

21. International Civil Aviation Organization (ICAO): A number of specific actions have been taken by ICAO to ensure that as many States as possible accord to the carriers of the other States "the so-called First Freedom of the Air", i.e. the privilege to fly across the territory of another State without landing. Furthermore, the land-locked countries benefit from ICAO's continuing programme of regional studies, workshops and seminars as well as technical assistance.

22. International Labour Office (ILO): ILO's technical cooperation activities are programmes in the framework of UNDP country, regional, inter-country and global programmes. The areas covered by ILO's operational activities which are particularly responsive and relevant to the problems and needs of the land-locked countries relate to the transport sector where ILO activities focus on upgrading managerial capacity and institutional development. Special reference should be made to the inter-agency collaboration on the Human Resources and Institutional Development Project in the transport and communication sector in Africa, which was recently completed. Total expenditures for ILO technical cooperation programming in 1990 for land-locked developing countries amounted to $US 25 million.

23. International Monetary Fund (IMF): Within its overall policy, the Fund's activities have met the special needs of land-locked developing economies in a number of ways. The quotas of land-locked developing countries reflect their particular situation as producers of primary exports that are subject to price and volume fluctuations. Fund assistance to member countries has comprised policy advice, financial assistance and technical assistance. Policy advice is provided in the context of the annual Article IV consultations with the country authorities and in discussions on the use of IMF financial resources. The Fund's financial resources are made available to member countries through various facilities. As of end-February 1991, the Fund resources under all facilities allocated to land-locked developing countries totalled $US 1.9 billion. The Fund also has in place a wide range of technical assistance activities from which land-locked developing countries benefit. These activities are in the central banking, fiscal, legal, and statistical fields.

24. United Nations Industrial Development Organization (UNIDO): Among projects being undertaken by UNIDO which address the specific needs of the land-locked countries are those in the field of food, leather and garment industries. Furthermore, other UNIDO projects giving special attention to the problems in land-locked and least developed countries emphasize long-term skill development, preparation of manpower plans, economic integration and resource development.

25. Universal Postal Union (UPU): The technical cooperation activities undertaken by the UPU in 1989 with regard to the land-locked developing countries were organized within the framework of postal projects financed by UNDP or by the resources available to the UPU itself. They mainly concern the

development of the quality of postal services and the training of staff of the respective countries. Furthermore, operational equipment was provided to most of them over the period 1989/1990.

26. World Bank: Bank assistance to land-locked developing countries during 1990 amounted to some $US 1,136 million and was concentrated in agriculture, adjustment programmes and transportation. Details on sectoral lending to 13 land-locked countries indicate that some 75 per cent of the Bank's resources supported programmes in these three key areas. Resources channelled to the transportation sector accounted for 17.5 per cent.

27. World Meteorological Organization (WMO): WMO provides assistance to meteorological or hydrometeorological services in the land-locked developing countries to enhance their capabilities to provide required services to transportation. This is the area where land-locked developing countries can benefit from our activities.

C. Summaries of replies received from intergovernmental organizations

28. The Commonwealth Secretariat: The Commonwealth Secretariat in recognizing the special needs of the land-locked countries provides significant assistance to seven African countries (Botswana, Lesotho, Malawi, Swaziland, Uganda, Zambia and Zimbabwe). The areas of this assistance programme include human resource development and institution building, management, administration, agriculture, health and transport. The estimated cost of all current activities in land-locked countries is about $US 10 million.

29. The West African Economic Community: Since its inception in 1970, the West African Economic Community has carried out a number of studies on the problems of land-locked countries. In particular, a three-phase subregional programme has been adopted with a view to (a) the granting of harbour facilities to land-locked countries in coastal countries, (b) building support facilities at railway stations in the land-locked countries, and (c) providing equipment at the terminals of the railway stations. Furthermore, the secretariat of the Economic Community for West Africa has also organized a seminar on subregional transit conventions.

30. Economic Community of West African States (ECOWAS): Action by ECOWAS in favour of land-locked countries has included the adoption of decisions to facilitate transportation of goods to these land-locked countries. These relate to conventions with respect to inter-State road transportation of transit goods and a guarantee scheme for the movement of such goods.

31. The Inter-American Development Bank (IADB): The IADB has carried out a number of projects to alleviate transport traffic problems. In Bolivia, the IADB has agreed to finance a road construction project between Patacamayo and Tambo Quemado at the Chilean border. It is aimed especially at creating a corridor for Bolivian imports and exports. A similar project to improve the movement of goods to Peru has been initiated between Rio Seco and Desaguadero. Furthermore, a programme has been initiated to identify feasible cross-border projects, especially in the transport and energy sector. In the case of Paraguay, the IADB is financing the surfacing of the road between Puerto Conception and Cuero Fresco. This road is one of the major outlets for

exports and imports to Brazil. Finally, the IADB also finances development projects that contribute to the efficient navigable use of the rivers Paraguay and Parana for the main purpose of transport of goods.

32. Islamic Development Bank (IsDB): Five land-locked countries have benefited from the assistance provided by the IsDB. The approved projects during the period 1976-1990 were as follows: Niger ($US 161 million); Mali ($US 56 million); Uganda ($US 44 million); and Burkina Faso ($US 53 million). Funding has concentrated mainly on such areas as agriculture, transport, health, industry and human resource development.

33. International Fund for Agricultural Development (IFAD): To date, 18 out of 20 land-locked developing countries that are members of IFAD have benefited from 59 loans for 50 projects. The loans committed to these projects amount to $US 521 million. With few exceptions, these loans have been extended on highly concessional terms.

34. The Organization of American States (OAS): The OAS has approved over $US 3 billion over the past five years for projects in Bolivia and Paraguay some of which take into account the particular problems relating to their geographic situation. As a national counterpart contribution to support these development activities, the two countries supplied more than $US 3.3 billion.

35. Organisation for Economic Cooperation and Development (OECD): The net total disbursement of ODA in current prices from all sources to 20 land-locked developing countries increased from $US 4.2 billion in 1987 to $US 5.1 billion in 1989. The level of individual country receipts ranged from $US 498 million for Nepal to $US 29 million for Swaziland in 1989.